

CITY OF WILLMAR

PLANNING COMMISSION MEETING

7:00 P.M. ON WEDNESDAY, NOVEMBER 4, 2020

VIRTUAL

GOTO MEETING

Chair: Christina Nelson

Vice Chair: Rolf Standfuss

Members: Steve Gardner, Jeffery Kimpling, Cletus Frank, Jonathan Marchand, Terry Sieck, Khalif Ahmed Bashir, and Stephanie Carlson.

AGENDA

1. Meeting Called to Order
2. Minutes of October 21, 2020 meeting
3. Meyer's Addition Minor Subdivision
4. Renaissance Zone Text Amendment, Continued
5. Miscellany
6. Adjourn

**WILLMAR PLANNING COMMISSION
CITY OF WILLMAR, MN
WEDNESDAY, OCTOBER 21, 2020**

MINUTES

1. The Willmar Planning Commission met on Wednesday, October 21, 2020, at 7:03 p.m. virtually via GoTo Meeting.

**** Members Present:** Christina Nelson, Rolf Standfuss, Steve Gardner, Jeff Kimpling, Terry Sieck, and Cletus Frank.

**** Members Absent:** Khalif Ahmed Bashir, Jonathan Marchand, and Stephanie Carlson

**** Others Present:** Sarah Swedburg – Planner, David Ramstad – Director of Planning & Development, Alex Rau – Planning & Development Intern, Larry Walter – Innovative Systems, Shelby Lindrud – West Central Tribune, Robert Scott – City Attorney

2. MINUTES: Minutes of the September 16, 2020 meetings were approved as presented.

3. INNOVATIVE SYSTEMS PLAN REVIEW – FILE NO 20-03: Staff presented a request by Cornerstone of Willmar, Inc on behalf of Innovative Systems, Inc for a plan review permit to allow a printing shop on property described as follows: That part of Government Lot 3 described as follows: Commencing at a point on the Easterly Right-of-Way line of Business Highway 71 and 669.60 feet northerly of the South Line of Government Lot 3 of SD Section 11, then Easterly 259.2 feet, then northerly 200 feet, then Northwesterly 80 feet, then Northeasterly 40 feet, then Northwesterly 159.20 feet then southwesterly 5 feet, then Northwesterly 20 feet, then Southwesterly 35 feet, then continuing Southwesterly 200 feet to point of beginning (1000 Business 71 N). Innovative Systems currently operates just north of town & this renovation of the old Trouw Nutrition site will allow them to be located in City Limits. The property is currently zoned I-2 (General Industry) and they will only be renovating the northern portion of this site at this time.

Larry explained that Innovative Systems is a transactional printer, primarily printing utility bills & other such mailers. They have clients all over the nation. At this time, they operate with 5 full time staff, with up to 10 staff at their peak times of year.

Staff comments were reviewed and discussed (see Attachment A). Staff noted that parking is calculated by square footage or staffing volume, whichever is greater. In this case, square footage requirements (40 spaces) well exceeds the parking requirements calculated based off of staffing.

Mr. Gardner made a motion, seconded by Mr. Frank to approve the Plan Review as submitted with the following condition:

- a. The use shall meet all applicable local, state, and federal rules and regulations at all times.

The Planning Commission reviewed and made affirmative findings of fact as per Zoning Ordinance Section 9.E.3.a.1-7.

The motion carried.

4. RENAISSANCE ZONE TEXT AMENDMENT – FILE NO 20-03: The public hearing opened at 7:14p.m. Staff presented phase 3 of the Renaissance Zone. This Zoning Ordinance Amendment will establish the administration process, performance standards, and “Open Zoning” process in Section 12 regulating the “Renaissance Zone” overlay district that was established during phase 1. The overlay district allows for exemptions from the standards set in the Willmar Zoning Ordinance, together with other development incentives. This Ordinance also establishes a Heritage Preservation Commission and creates a voluntary Heritage Designation process

Dr. Ramstad emphasized that the heritage district is being put in place so that new construction in that area is contextually appropriate for the existing, historic buildings in this location. While we’re encouraging creativity, there are two bodies in place for check & balances (Planning Commission & Community Development Committee/Council) to make sure these projects are feasible & contextual for the community.

Attorney Scott reminded the Commission that the light blue font in the ordinance is already existing, the black underlined font is the new amendment for tonight’s review. As the Ordinance has been drafted, the key has been to balance this new case-by-case special CUP process, while also making sure review of projects is objective.

No one appeared to speak for or against the public hearing closed at 7:31pm.

The Commission discussed Section 3.a. Housing at length. It was determined that Staff’s intent was to require all projects with a multi-family housing component to designate at least 5% of the units reserved for and affordable by tenants making a maximum of eight percent of the Area Median Income (AMI). The Commission would like to see clarification in the ordinance that this requirement would not apply to single family homes, duplexes, or any projects not utilizing Renaissance Zone provisions.

Staff will work with Attorney Scott on text amendments as discussed & bring them back to the commission for review prior to a final vote.

Mr. Gardner made a motion, seconded by Mr. Frank to table the Renaissance Zone Text Amendment.

The motion carried.

5. INTRODUCTION OF DRIVEWAY STANDARDS: Staff presented initial thoughts on content for an ordinance amendment to better regulate and set standards for driveway approvals in town. Staff has long talked about the creation of standards, such as these, but

have never put an ordinance together. Prior to moving forward with drafting of an ordinance & setting a public hearing, staff wanted to introduce the item to the Commission.

Some concern was raised about the 50' distance between driveways. The Commission is not in favor of one property establishing first, dictating where everyone else's garages/driveways will be placed along a block.

Commissioner Kimpling suggested exploring a wider standard for industrial zones, as that has been a frequent request on industrial projects in the past several years.

Staff will continue with the drafting of this ordinance amendment and bring it back to the Commission for review and public hearing in the near future.

6. PLAN REVIEW NO 19-04 APPROVAL EXTENSION: Staff presented a request submitted by Papa Murphy's to extend Plan Review 19-04 approval, allowing for a drive thru window at 1516 1st St S. As stated in the Zoning Ordinance, Plan Review & Conditional Use Permit approvals are valid for one year, unless a request for extension is received in writing and approved by the Commission. There have been no changes to Zoning Ordinance standards since this Plan Review was approved in 2019.

This approval extension will be for 1 year & the Commission will likely see another extension request once more before the project is finalized.

Mr. Frank made a motion, seconded by Mr. Standfuss to approve the extension of the approval of Plan Review 19-04 for Papa Murphy's.

The motion carried.

7. TINY HOMES UPDATE: Staff is working on an ordinance amendment for the Tiny Home task force to review before bringing to Planning Commission.

The task force met with Dan Fitzpatrick, president of the Tiny Home Industry Association with a background in municipal government, to get some specialized advice on reviewing this topic for our community. Commissioner Gardner shared Mr. Fitzpatrick's emphasis that the Tiny Homes must meet building code. Mobile tiny homes or smaller versions of mobile homes is not what's currently being envisioned for the Willmar Community. Additionally, Mr. Fitzpatrick highly advised that this amendment to City Ordinances be contextual for the community rather than simply copying what another city or county has implemented.

Dr. Ramstad recommended the Commission consider a minimum acreage requirement for a Tiny Home development. He also expressed his opinion that these developments should be home-owner occupied rather than rental.

The task force will also be considering limitations/ratios on accessory structures and community space provision standards for these areas.

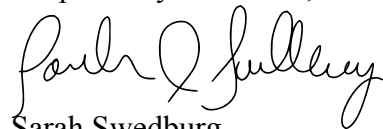
Information & ordinance drafting continues and will be presented once this package is complete. Basic notes will be forwarded to the Commission from staff.

8. MISCELLANY: Staff anticipates 2 meetings in November, as a few applications have already been received.

Dr. Ramstad updated the Commission on the Comprehensive Plan process. The basic data package is complete, and staff is working to finalize a boiler plate Comprehensive Plan. Once complete, staff will be working to establish the Comprehensive Plan Task Force, consisting of 4 commissioners in addition to 8 or 9 others to assist in this effort. The Task Force will can then be split into subcommittees to dive deeper into specific topics, with one Planning Commissioner leading each subcommittee. The subcommittees may change throughout the drafting process, depending on the topics and tasks at hand during each step of this document's creation.

9. There being no further business to come before the Commission the meeting adjourned at 9:00 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Sarah Swedburg".

Sarah Swedburg
Planner

PLANNING COMMISSION – OCTOBER 21, 2020

STAFF COMMENTS

1. INNOVATIVE SYSTEMS PLAN REVIEW -- FILE NO 20-03:

- The applicant is Cornerstone of Willmar, Inc of Willmar, MN on behalf of Innovative Systems Inc.
- The applicant is requesting a plan review to allow a printing business on property legally described as: That part of Government Lot 3 described as follows: Commencing at a point on the Easterly Right-of-Way line of Business Highway 71 and 669.60 feet northerly of the South Line of Government Lot 3 of SD Section 11, then Easterly 259.2 feet, then northerly 200 feet, then Northwesterly 80 feet, then Northeasterly 40 feet, then Northwesterly 159.20 feet then southwesterly 5 feet, then Northwesterly 20 feet, then Southwesterly 35 feet, then continuing Southwesterly 200 feet to point of beginning (1000 Business 71 N).
- The parcel is zoned I-2 (General Industry).
- The property is surrounded by GB (General Business) to the north & south, P (Park) to the west, and G (Government) to the east.
- The parcel fronts Business 71 N, and is accessed via a parallel frontage street.
- The business currently operates in the area, but is located outside of City Limits. The renovation of the old “Trouw Nutrition” site will allow them to be located within Willmar.
- Parking requirements for this use are as follows: :At least eight (8) spaces, plus one (1) space for each two (2) employees on each shift based on maximum planned employment, or at least eight (8) spaces plus one (1) space for each eight hundred (800) square feet of floor area, whichever is greater.”
 - a. Based on size of building: 40 spaces required
 - b. Based on maximum planned employment: ??? spaces required
- Site plan shows provision of 41 parking spaces.
- This Plan Review is only for the northern half of the existing building. Innovative Systems Inc also purchased the southern half, but does not plan to renovate that portion at this time.
- The property is legally non-conforming, due to parking setbacks. However, this renovation will not increase any existing non-conformities.
- Sign permits are ancillary from the Plan Review.

RECOMMENDATION: Approve the plan review permit with the following condition:

- A. The use shall meet all applicable local, state, and federal rules and regulations at all times.

PRELIMINARY PLAT OF:
MEYER'S ADDITION

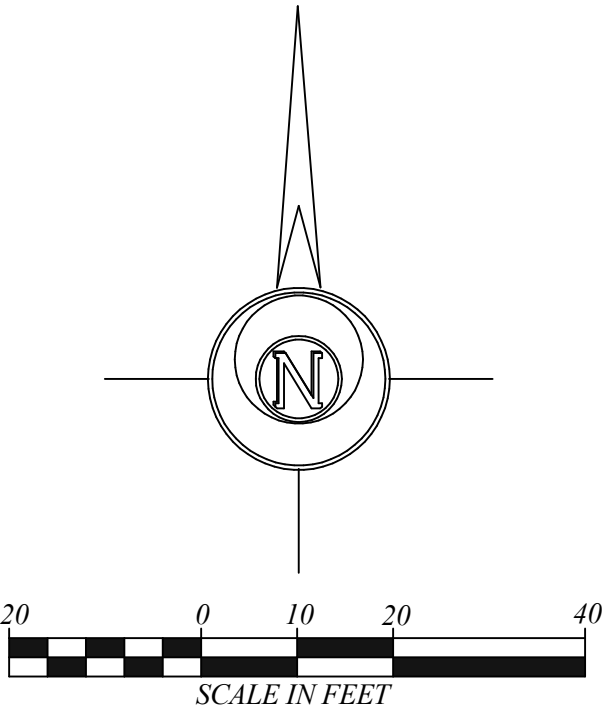
LEGAL DESCRIPTION

Tract of land lying and being in the County of Kandiyohi, State of Minnesota, described as follows, to-wit:

Lots 1, 2, 13, and 14 of Block 52 in the ORIGINAL TOWNSITE OF WILLMAR as of public record, Kandiyohi County, Minnesota, LESS & EXCEPT the Southerly 20.00 feet of said Lot 2 and LESS & EXCEPT the Southerly 20.00 feet of the Easterly 50.00 feet of said Lot 13.

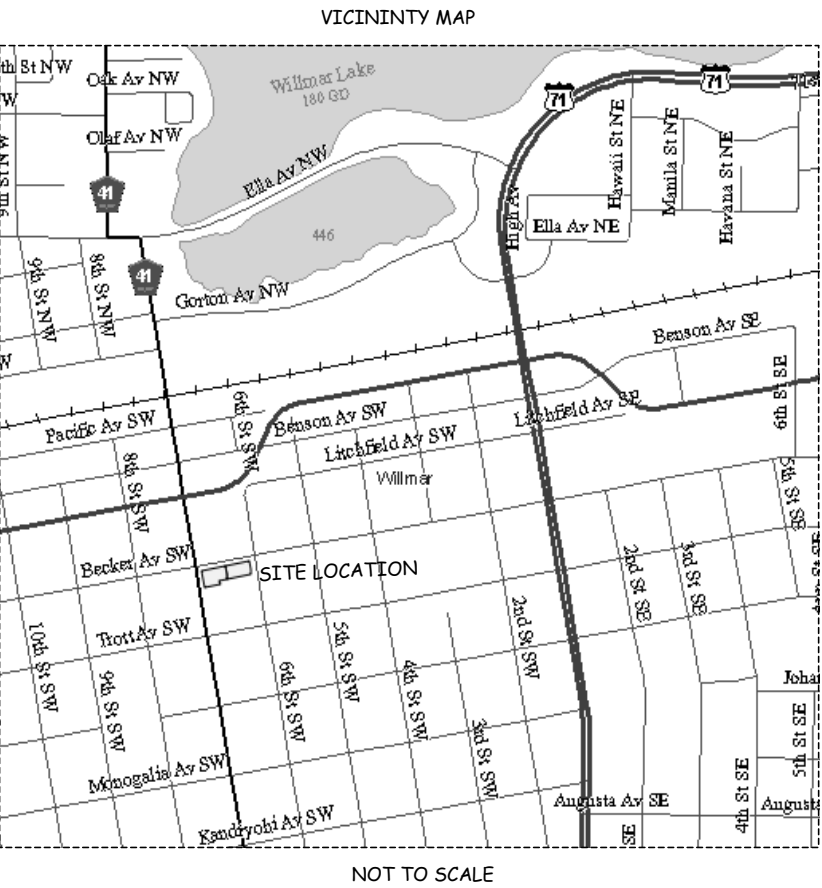
Subject to easements of record.

LOT AREA	IMPERVIOUS SURFACE AREA
LOT 1 = 10,169 SQ. FT. +/-	LOT 1 = 5211 SQ. FT. +/-
LOT 2 = 8062 SQ. FT. +/-	LOT 2 = 2444 SQ. FT. +/-
LOT 3 = 8113 SQ. FT. +/-	LOT 3 = 2225 SQ. FT. +/-
TOTAL AREA = 26,344 SQ. FT. +/-	



Legend

- INDICATES IRON MONUMENT FOUND
- INDICATES IRON MONUMENT PLACED



SHEET 1 OF 1

PRELIMINARY PLAT PREPARED FOR:
CECIL MEYER

JOB NO: W2011-118
FILE NAME: 2011-118.SCJ
LOCATION: 15-119-35

NOTE: THIS SURVEY IS INTENDED ONLY FOR THE BENEFIT OF THE PARTY TO WHOM IT WAS PREPARED FOR AND SHOULD NOT BE RELIED UPON BY ANY OTHER PARTY OR FOR ANY OTHER PURPOSE WITHOUT FIRST CONTACTING THE SURVEYOR WHO DEVELOPED AND MADE THIS DRAWING. UNAUTHORIZED REPRODUCTION OF THIS DOCUMENT IS PROHIBITED.

370 CHAPEL HILL RD., SUITE 105
COLD SPRING, MN 56320
PH. 320-685-5905
FAX 320-685-3056

PRELIMINARY PLAT PREPARED BY:
O'MALLEY & BOE
LAND SURVEYORS, INC.

328 SW 3RD ST.
WILLMAR, MN 56201
PH. 320-235-4012
FAX 320-214-9380

I HEREBY CERTIFY THAT THIS SURVEY, PLAN OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

BENJAMIN C. O'MALLEY
MINNESOTA REGISTRATION NO. 42300

DATE: 1-5-2012

PLANNING COMMISSION – NOVEMBER 4, 2020

STAFF COMMENTS

1. MEYER'S ADDITION MINOR SUBDIVISION -- FILE NO 20-02:

- The applicant is Cecil & Susan Meyer of Willmar, MN.
- The applicant is requesting a minor subdivision to reconfigure 2 existing parcels into 3 on property legally described as: Lot 13 & 14 excluding the S 20' of E 50' of Lot 13, Block 52, Original Townsite of Willmar (611 & 615 Becker Ave SW), AND Lot 1 and N 30' of Lot 2, Block 52, Original Townsite of Willmar (402 6th St SW).
- 402 6th St SW is owned by Cela-James Investments, LLC and Mr. Meyer has purchased a portion of their parcel to enlarge proposed Lot 2.
- All parcels are zoned CBD (Central Business District).
- The property is surrounded by CBD (Central Business District) zoning on the North, East, and South. LB (Limited Business) zoning lies to the West of this area, across 7th St SW.
- This replat will allow for more functionality of the middle lot.
- The parcels are oriented towards Becker Ave SW & 6th St SW. There are access points off of 7th St SW, Becker Ave SW, and 6th St SW.
- There are no proposed zoning, use, or access changes.
- The redistribution of parcel lines allows for better usability of the middle parcel.
- Lot size, frontage, and setbacks standards for this zone are all met.

RECOMMENDATION: Approve the plan review permit with the following condition:

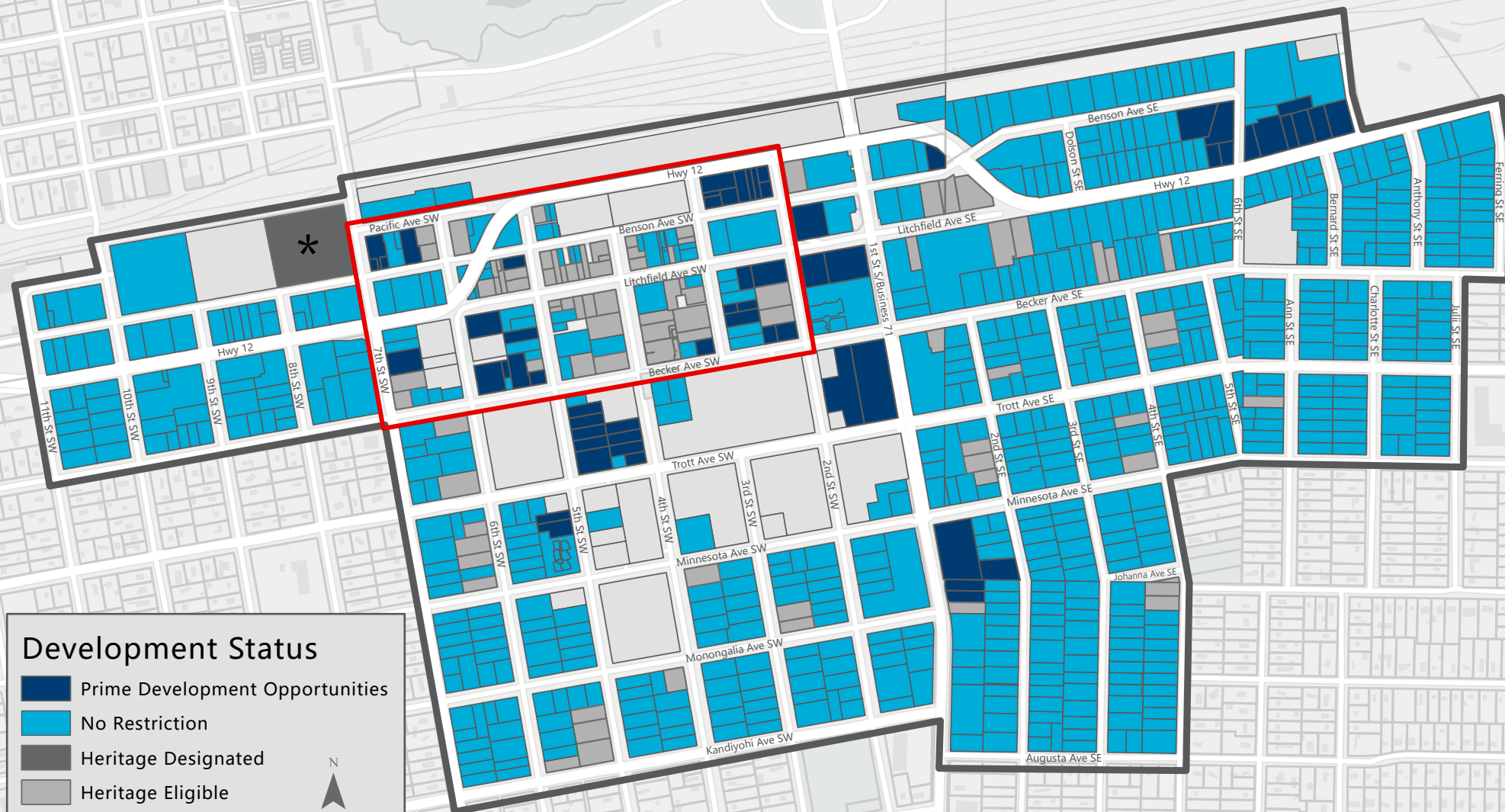
- A. A joint parking agreement and access easement shall be submitted to Staff & recorded with the plat to ensure access and parking for proposed Lot 3.

2. RENAISSANCE ZONE TEXT AMENDMENT -- FILE NO 20-03:

- The affordable housing policy is now drafted as a performance standard that applies only to the area defined as the Renaissance Zone. In this way, the affordable housing policy will survive the expiration of the Renaissance Zone, and yet that zone can initially be used as an incubator to test and refine the affordable housing policy before the Planning Commission considers to make it, or some form of it, apply city-wide.
- The affordable housing policy continues to only apply to multifamily housing projects of 4-units or more that receive Tax Abatement or Tax Increment Financing assistance.
- The minimum affordable housing requirement remains to be 5% or 1-unit, whichever is greater.
- To ensure that housing projects and entire neighborhoods, are not developed exclusively for one economic class, we have added a maximum limit of 25% affordable housing in each project, and likewise have required that the selected affordable units (and any ADA/HC units) need to be evenly dispersed across a project's building and/or development – not segregated to one building in a multi-building development, all on one floor, or packaged into one wing of a building.

- After review of some AMI-based options for affordable rents, and some collaboration with the Kandiyohi HRA, staff are proposing that FHA Fair Market Rents be used, which are posted on HUD's website. This greatly simplifies the process, makes its very transparent and evenly applied to all projects.
- As discussed, a restrictive covenant memorializing which units are affordable would be recorded against the property for a term of 15-years.
- As previously, the affordable units will be available to households making 80% or less of the Area's Median Income (AMI) for Kandiyohi County, as defined on FHA/HUD's website.
- The requirements remain that owners of redeveloped and renovated sites containing existing below-market rental housing, must relocate or provide temporary accommodations for those tenants displaced by the project's construction, and those tenants must have first right of refusal for the replacement units.
- A restatement of the requirement for landlords to comply with non-discrimination laws stipulated in Title VIII of the Civil Rights Act of 1968 was added.

Renaissance Overlay District Willmar, MN



*Tentative Heritage Designation
until December 2022

City of Willmar Property

- Renaissance Zone
- City Parking & Vacant Lots
- City Facilities
- City Park
- Hospital
- Willmar Municipal Utilities



*Potential sites for hotel development --
City Owned or Hospital owned parking lots.

City of Willmar
RENAISSANCE ZONE - PROJECT EVALUATION FORM

Points Possible	100	PROJECT SCORE REQUIREMENT: To receive Development Committee and Planning Commission recommendation for approval by the City Council approval, projects must receive a minimum of 71 points (Excellent or better).			
Points Awarded - RZ OBJECTIVES	53				
Points Awarded - VIABILITY	28				
Total Points		81	APPLICABLE PROJECTS: Non-Traditional Zoning, TIF, Abatement, Free City Land, Heritage Designated Improvements		
		EVALUATOR'S COMMENTS			
Project Name	Greatest Thing Since Sliced Bread		Love this project! Owner and contractor have provided very creative solutions that will greatly enhance the Renaissance Zone. They have also done their homework and have seemingly covered all contingencies.		
Address	426 Litchfield Avenue SW				
RENAISSANCE ZONE OBJECTIVES - 65% of Evaluation Score					
EVALUATOR'S QUALITATIVE SCORES		POINT SCALE			
CREATIVITY	Outstanding 18 - 20	Excellent 14 - 17	Good 10 - 13	Unacceptable 0 - 9	
18	Project is most creative in providing spatial, contextual and architectural solutions in a most appealing and functional manner.	Project provides above average solutions that expertly address contextual, spatial and architectural relationships.	Project addresses most of the issues with adequate solutions, but some concerns remain unaddressed.	Projects does not address many key issues, or solutions are either nonexistent or undesirable.	
MIXED-INCOME HOUSING and/or RETAIL - OFFICE	Outstanding 18 - 20	Excellent 14 - 17	Good 10 - 13	Unacceptable 0 - 9	
12	Project hss demographically aligned mix of upper-, middle- and lower-income housing -AND/OR- Office/Retail spaces preleased.	Project mix of upper-, middle- and lower-income housing units in near alignment with demographics - AND/OR- Some Office/Retail preleased.	Project housing meets minimum 5% affordable ratio/Exceeds a 25% ratio - AND/OR- Office/Retail spaces speculative and do not have leases.	Project's housing excludes at least one income class. -AND/OR- Office/Retail are inadequate in a significant way.	
COMPLEMENTS and/or ENHANCES RENAISSANCE ZONE	Outstanding 14 - 15	Excellent 11 - 13	Good 9 - 10	Unacceptable 0 - 8	
14	Project is exceptional in the way it enhances and complements surrounding amenities -OR- as an iconic amenity/building itself.	Project adds substantial enhancements to surrounding entertainment and building amenities.	Project adequately integrates with entertainment uses.	Project lacks or has minimal integration with entertainment uses.	
COMPLEMENTS and/or ENHANCES PEDESTRIAN EXPERIENCE	Outstanding 9 - 10	Excellent 7 - 8	Good 5 - 6	Unacceptable 0 - 4	
9	Project is outstanding in its enhancement of the pedestrian experience, both along streets and through the building.	Project substantially enhances the pedestrian experience along streets and through building.	Project adequately integrates pedestrian amenities.	Project lacks or has minimal integration of pedestrian amenities.	
VIABILITY OF THE PROJECT - 35% of Evaluation Score					
EVALUATOR'S PRACTICALITY SCORES		POINT SCALE			
MEETS A DEMAND / FILLS A GAP	Outstanding 14 - 15	Excellent 11 - 13	Good 9 - 10	Unacceptable 0 - 8	
12	Project meets excess demand or fills gap in an extraordinary way that is not met by any others or by a very few.	Project meets excess demand or fills gap in a significant way.	Project meets a minimal amount of demand or partially fills a gap.	Project appears to provide excess housing, retail, office or other use above market demand	
FEASIBILITY	Outstanding 9 - 10	Excellent 7 - 8	Good 5 - 6	Unacceptable 0 - 4	
9	Project has significant funding and reserves above needs, and has apparently mitigated all known risks.	Project excellent access to funding, has excess reserves and is well grounded in market analysis.	Project's financial plan adequately grounded in market analysis.	Project seems very speculative and not well grounded in market.	
SHOVEL READINESS	Outstanding 9 - 10	Excellent 7 - 8	Good 5 - 6	Unacceptable 0 - 4	
7	Project's ready to go, its site issues and construction schedule are well understood, detailed and well considered.	Project's initial phases are ready to go, construction phases are are well planned.	Project has adequate planning, but some loose-ends need to be addressed during construction.	Project's site and design have many unknowns and major issues are still unaddressed.	

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF WILLMAR, MINNESOTA AMENDING WILLMAR
ORDINANCE 1060, KNOWN AS THE WILLMAR ZONING ORDINANCE BY
ESTABLISHING OPEN ZONING IN THE RENAISSANCE ZONE AND A LOCAL
HERITAGE ORDINANCE

The City Council of the City of Willmar hereby ordains as follows:

Section 1. AMENDMENT OF ORDINANCE 1060, SECTION 8. Ordinance 1060, Section 8 is hereby amended by adding a new Subsection I., as follows:

I. AFFORDABLE HOUSING.

1. Definitions. The following definitions shall apply in the interpretation and enforcement of this Subsection.

Affordable Housing Unit. A housing unit for which the rent is affordable for a household making a maximum of eighty percent (80%) of AMI or for which the rent charged is a below fair market rents.

Area Median Income (AMI). The area medium income for Kandiyohi County, as defined and published by HUD's Office of Policy Development and Research; or, alternatively, as may otherwise be provided by the Kandiyohi County Housing and Redevelopment Authority (HRA).

Below Market Rent. A rental amount that is below the market value rental rate for a comparable unit as determined by an appraisal or market study provided by the property owner or developer.

Fair Market Rents (FMR). A payment standard estimated and published annually by HUD for Office of Management and Budget (OMB) for metropolitan areas and nonmetropolitan counties and used to determine rents for an array of affordable housing, including: Housing Choice Voucher program, project-based Section 8 contracts, Housing Assistance Payment (HAP), HOME Investment Partnerships program, Emergency Solution Grants program, Continuum of Care recipients, leases using Continuum of Care funds, and Public Housing. 42 USC 1437(f) requires FMRs be posted online at least thirty (30) days before they are effective, which is at the start of the federal fiscal year.

HUD. The United States Department of Housing and Urban Development.

2. Application. The provisions of this Subsection I shall apply only to projects that (a) will include, through new construction or renovation of an existing structure, four or more units of multifamily housing; (b) receive public financial assistance in the form of tax abatement or tax increment financing; and (c) is located within the area bounded by the following streets and geographic markers: To the North by Litchfield Ave SE between Ferring Street SE and Gay Street SE and the Burlington Northern and Santa Fe (BNSF) Railway between Gay Street SE and 11th Street SW; to the West by 11th Street SW between the BNSF Railway and Becker Avenue SW and 7th Street SW between Becker Avenue SW and Kandiyohi Avenue SW; to the South by Becker Avenue SW between 11th Street SW and 7th Street SW, Kandiyohi Avenue SW between 7th Street SW and 1st Street S, Augusta Ave SE between 1st Street S and 4th Street SE, Minnesota Avenue SE between 4th Street SE and Julii Street SE, and Becker Avenue SE between Julii Street SE and Ferring Street SE; and to the East by 4th Street SE between Augusta Avenue SE and Minnesota Avenue SE, Julii Street SE between Minnesota Avenue SE and Becker Avenue SE, Ferring Street SE between Becker Avenue SE and Litchfield Avenue SE, and Gay Street SE between Litchfield Ave SE and the BNSF Railway.
3. Housing Plan Requirements. All projects to which this section applies, shall satisfy the following requirements:
 - a. At least five percent (5%) or one unit, whichever is greater, of the housing units shall be reserved for and affordable by households making a maximum of eighty-percent (80%) of AMI, as determined at the time of initial occupancy, for a minimum period of fifteen (15) years from and after the date on which a certificate of occupancy is issued to allow occupancy of such unit(s). A restrictive covenant memorializing this requirement shall be recorded against the property on which such project is constructed.
 - b. No new construction or renovation that changes the prior occupancy or use of a building to multifamily housing of four units or more devote more than twenty-five percent (25%) of its units to affordable housing units. A restrictive covenant memorializing this requirement shall be recorded against the property on which such project is constructed.
 - c. Affordable and ADA-accessible units shall be scattered across a project and not concentrated together or segregated into their own floor, wing or other section of the building or a portion of a site.
 - d. Rents charged for designated affordable housing units as required under subparagraph i above are not based on a household's

income, but shall apply in designated units. A designated affordable housing unit shall therefore remain so for the duration of the required 15-year term, even if the resident household's income significantly changes during occupancy.

- e. Households making eighty percent (80%) of AMI or less shall qualify for designated Efficiency, 1BR and 2BR units whose rents are set at Fair Market Rent for Kandiyohi County, as defined and published by HUD's Office of Policy Development and Research
- f. Over the 15-year term of any applicable affordable housing designation, the property owner shall adjust rent annually pursuant to the Fair Market Rent for Kandiyohi County, as defined and published by HUD's Office of Policy Development and Research.
- g. For the duration of construction or renovation, intermediate transition housing shall be provided for current residents in existing below-market housing units, as determined by an owner-provided appraisal or market study, and for those households whose rents are subsidized on the site of the project;
- h. Current residents of below-market housing units on the site of the project shall have the right of first refusal to lease new units created by renovation or construction on the site; and
- i. In the event that the project will result in a reduction in the number of housing units or displace existing tenants making eighty percent (80%) or less of AMI, due to redevelopment or renovation activities, residents of such existing units who are unable to secure a lease in the new development shall be provided relocation assistance pursuant to Minn. Stat. § 117.52, as the same may be amended.
- j. Owners must comply with Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) as amended, which prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, because of race, color, religion, sex, familial status, national origin, and disability.

Section 2. AMENDMENT OF ORDINANCE 1060, SECTION 12. Ordinance 1060, Section 12 is hereby amended as follows (deleted material is crossed out; new material is underlined; sections and subsections not being amended are omitted):

SECTION 12. RENAISSANCE ZONE OVERLAY DISTRICT.

A. GENERAL PROVISIONS.

1. Title. This Section shall be known as the “City of Willmar Renaissance Zone Ordinance”.
2. Intent and Purpose. The intent and purpose of this Ordinance is to:
 - a. Encourage urban commercial and residential development that transforms the Renaissance Zone into a self-sustaining economy that strengthens current businesses and continually attracts new commercial projects.
 - b. Celebrate, protect and preserve Willmar’s cultural and economic diversity by ensuring there is a demographically representative variety of housing, retail, office space and community events.
 - c. Maintain a regionally-demographically-pegged mixture of upper-, middle-, and low-income housing units, so the Renaissance Zone remains a place for everyone in relation to and within a 5 percent deviation from combined levels found within the city and its two-mile extraterritorial subdivision regulation enforcement jurisdiction.
 - d. Ensure the Renaissance Zone reflects the cultural heritage and economic diversity of the area by attracting development that increases both the Renaissance Zone’s resident population and the number of visitors/patrons to the Renaissance Zone by (a) utilizing a high-density, mixed-use design, (b) repositioning and reinforcing the Renaissance Zone as the cultural, health, and entertainment center of Willmar, and (c) dedicating public spaces and commons areas for events.
3. Jurisdiction. The provisions of this Ordinance shall apply to the areas of the City’s Central Business district and adjacent lands identified as the Renaissance District on the official Zoning Map, as amended from time to time.
4. Applicability and Relation to other Provisions. This Ordinance shall apply to all development within the Renaissance Zone that takes advantage of the alternative processes and provisions contained within this Ordinance. For such development, this Ordinance may impose restrictions on structures and land uses in addition to those applicable to the underlying zoning district. In many cases, this Ordinance provides greater flexibility relative to the regulations applicable to the underlying zoning district. Where this Ordinance expressly conflicts with any other provision of the Willmar Zoning Ordinance, this Ordinance shall prevail. Where there is no

express conflict, provisions of this Ordinance and of the Willmar Zoning Ordinance shall be interpreted to give effect to both provisions to the greatest extent possible.

5. Definitions. Unless specifically defined below, words or phrases used in this Ordinance shall have their common meaning and to give this Ordinance its most reasonable application.

Local Heritage Designation. Buildings, sites, uses, structure, objects and districts that are recognized for their historical, architectural, archaeological, or cultural importance, as designated by the City of Willmar pursuant to the Local Heritage Designation Ordinance (City Code Chapter 14, Article IV).

Open Zoning. A process of individual project review through which a proposed use that is not allowed under the zoning requirements of the underlying zoning district, but which promotes and encourages adaptive reuse of heritage-designated and existing infrastructure; contextual use and creativity; density; mixed-income housing; entertainment uses; a healthy, equitable, and resilient community; and pedestrian-scaled streetscapes, may be granted a conditional use permit under this Section 12.

Parking credit. A reduction in the required number of off-street parking spaces required under City of Willmar Zoning Ordinance, Section 4.

Pedestrian-Oriented Landscaping. Landscaping focused on amenities for those walking, including but not limited to, seating, fountains, sculptures, plantings, tables, pedestrian coverings, and lighting.

Renaissance Zone Application. The City of Willmar Renaissance Zone Application, including the main application, the additional forms for specific programs, and any additional documents required by the Zoning Administrator.

B. ADMINISTRATION.

1. Applications. In addition to any applications usually required under the Willmar Zoning Ordinance, a Renaissance Zone Application must be submitted to the Zoning Administrator for all projects within the Renaissance Zone that take advantage of the alternative processes and provisions contained within this Ordinance.

2. Zoning Administrator. The Zoning Administrator shall accept all Renaissance Zone Applications, review for completeness, and act upon the application in accordance with the processes herein described.
3. Variances. Variances may be granted in accordance with Minnesota Statutes Chapter 462. The administrative procedures for variance applications contained in Section 9, Subsection D of the City of Willmar Zoning Ordinance shall be followed for variance applications within the Renaissance Zone.
4. Conditional Use Permits. The review of a conditional use permit application for a property within the Renaissance Zone shall follow the application procedure found in the City of Willmar Zoning Ordinance Section 12, if the proposed use is a conditional use pursuant to the applicable provisions of the City of Willmar Zoning Ordinance for the underlying zone. Any requests for conditional uses not permitted by the applicable provisions of the City of Willmar Zoning Ordinance for the underlying zone may apply for a conditional use permit using the Open Zoning provisions found herein.

C. PERFORMANCE STANDARDS.

Projects issued a conditional use permit under Paragraph D below shall be exempted from the setback requirements and other performance standards established in the underlying zoning district. Such setback requirements or performance standards may be addressed in conditions of the conditional use permit customized to reflect the specific characteristics and impacts of the permitted project.

D. OPEN ZONING.

1. Eligibility: All projects within the Renaissance Zone not permitted by the underlying Zoning District, as defined in the City of Willmar Zoning Ordinance, may apply for a Conditional Use Permit (CUP) under the Open Zoning process set forth in this Paragraph D.
2. Open Zoning Process: The Open Zoning process allows the consideration of a conditional use permit for any use within the Renaissance Zone that is evaluated pursuant to Subparagraph 4 herein to promote and encourage adaptive reuse of heritage-designated and existing infrastructure; contextual use and creativity; density; mixed-income housing; entertainment uses; a healthy, equitable, and resilient community; and pedestrian-scaled streetscapes, notwithstanding the underlying Zoning District requirements.

3. Application: All projects wishing to apply for a conditional use permit under the Open Zoning process must submit a completed Renaissance Zone Application to the City Zoning Administrator, and provide all additional information requested by City staff, the Planning Commission, the Development Committee, and the City Council to support the application. When the Zoning Administrator determines the application is complete, the Zoning Administrator shall submit the application to the Planning Commission.
4. Local Heritage Designation: An Applicant may apply for Local Heritage Designation of any existing or proposed buildings, in accordance with the Willmar Local Heritage Designation program, Willmar City Code Chapter 14, Section 4, simultaneously with the Open Zoning application. If the project contains one or more Local Heritage Designated structures, structures on the list of potential heritage sites, or is in the Downtown Commercial Heritage District, the applicant must simultaneously submit an alteration/renovation/demolition review request in accordance with Willmar City Code Chapter 14, Section 4.
5. Evaluations and approvals: The Planning Commission shall follow the procedure and criteria laid out in the conditional use process, Willmar Planning Code 9E2-9E9 for the evaluation and approval of a conditional use permit under the open zoning process. The Planning Commission shall additionally consider the objective evaluation of the project's viability and furtherance of the following Renaissance Zone objectives, according to a uniform scoring system to be approved by the City Council:
 - a. Whether the project exhibits creativity in addressing contextual, spatial and architectural relationships;
 - b. Whether and the extent to which the project will include mixed-income housing;
 - c. Whether and the extent to which the project will include retail and/or office space;
 - d. Whether and the extent to which the project will complement and/or enhance the vitality and character of the Renaissance Zone;
 - e. Whether and the extent to which the project will enhance the pedestrian experience;
 - f. Whether the project meets a demand and/or fills a market gap;
 - g. Whether the project is financially feasible and viable; and

h. Whether the project is shovel ready.

6. Ineligible Uses. The following uses are ineligible for a CUP under the open zoning process:

a. Adult Uses.

b. Agricultural product processing plants.

c. Gas bulk plants.

d. Manufacturing of explosive or toxic materials.

e. Meat packing/rendering plants.

f. Power plants.

g. Solid waste collection and recycling facilities for metals, glass, paper, wood, etc. (not including household garbage).

h. storage and/or sale of flammable liquids and gases.

i. Permanent concrete, bituminous, or gravel production businesses.

7. Appeals from decisions of the Zoning Administrator or Planning Commission regarding decisions made in accordance with this ordinance may be made to the Board of Zoning Appeals, as defined in Willmar Zoning Ordinance Section 9B, by following the process and standards found in Willmar Zoning Ordinance Section 9C.

E. PARKING.

1. OFF-STREET PARKING REQUIREMENTS.

a. The off-street parking requirements of Section 4 of the Willmar Zoning Ordinance apply to all buildings, structures, and uses of land constructed, established, or authorized, except Parking Credits may be used to meet said requirements.

b. Upon submission of the Renaissance Zone Application and the Parking Reduction application, the Zoning Administrator may issue parking credits not to exceed 50% of the parking requirements under the Willmar Zoning Ordinance, for the following reasons:

- i. Construction or use of below grade contextual or camouflaged parking;
- ii. Suitable number of public parking space, if retail or office uses are included;
- iii. Installation of bike parking;
- iv. Installation of Electric Vehicle Charging Stations;
- v. Shared car amenities provided by multifamily housing management for the use of multifamily housing residents.

F. FEES.

1. Notwithstanding any other ordinance provision or the City of Willmar Fee Schedule, upon the approval of a Renaissance Zone Application requesting permit fee reductions an applicant shall not be charged a fee for any the following, except as provided in subparagraph 2 below:

- a. Building Permit Fees;
- b. Land Use Application Fees;
- c. Sign Permit Fees;
- d. Sewer Availability Charge; or
- e. Water Availability Charge.

2. If a share of any of the fees or charges listed in subparagraph 1 above is due to the Federal government, State of Minnesota, or another political subdivision, the Zoning Administrator shall charge the applicant the non-City portion of the fee.

Section 3. AMENDMENT OF CITY CODE CHAPTER 14. City Code Chapter 14 is hereby amended to add a new Article IV as follows:

ARTICLE IV. - LOCAL HERITAGE DESIGNATION ORDINANCE

Sec. 14-251. - Definitions.

Unless specifically defined below, words or phrases used in this ordinance shall have their common meaning and to give this ordinance its most reasonable application.

(a) *Architectural Integrity*. Degree of a building's or portion of a building's original components and aesthetics. Architectural Integrity degradation is measured according to the following terms and definitions:

(1) *Unaltered*: No alteration.

(2) *Slightly Altered*: Basic shape and window arrangement intact, roofline intact, and only mild alterations to storefront or upper façade. Simple covering of original siding with removable material or aluminum combination windows installation allowed.

(3) *Moderately Altered*: Basic shape and window arrangement intact, but two of the following have occurred: new siding, storefront or upper façade altered or enclosed, window openings or type changed, roofline changed, or unobtrusive rear or side addition.

(4) *Significantly Altered*: Basic shape and window arrangement changed and two or more of the following have occurred: new siding; storefront or upper street façade significantly altered, removed, or enclosed; major addition; original design elements removed or covered; or roofline altered.

The original state of the building shall be the date of the significant event, person, style, or work attached to the building or portion of the building.

(b) *Downtown Commercial Heritage District*. The area south of Pacific Avenue SW, east of 7th Street SW, north of Becker Avenue SW, and west of 2nd Street SW.

(c) *Local Heritage Designation*. A designation bestowed upon a parcel, building, or portion of a building by the City of Willmar Heritage Preservation Commission indicating the historical, architectural, archaeological, engineering, or cultural significance of the parcel or structure in accordance with this ordinance and any rules promulgated by the City of Willmar Heritage Preservation Commission.

(d) *Renaissance Zone*. The area designated as the Willmar Renaissance Zone Overlay District in Ordinance XXX.

Sec. 14-252. – Heritage Preservation Commission (HPC).

(a) *Created*. There is hereby established a heritage preservation commission in accordance with Minn. Stat. § 471.193, subd. 2, which shall be known as the City of Willmar Heritage Preservation Commission.

(b) *Members*. The membership of the City of Willmar Heritage Preservation Commission shall be the Chair of the Planning Commission, Chair of the Community Development Committee, Chair of the Zoning Board of Appeals, Chair of the Parks & Recreation Board, and the Chair of the Kandiyohi County

Historical Society, if such person resides in the City of Willmar. The non-voting membership of the commission shall be the City Planner, the City Zoning Administrator, the City Administrator, the City Building Official, and the Chair of the Kandiyohi County Historical Society, if said person resides outside of the City of Willmar.

- (c) *Powers and duties.* The City of Willmar Heritage Preservation Commission is assigned the following powers and duties, to be exercised in compliance with all applicable state laws, the City of Willmar City Charter, and all provisions of the City of Willmar Zoning Ordinance, Ordinance No. 1060, as amended:
- (1) Survey, review, and designate districts, sites, buildings, structures, and objects of historical, architectural, archaeological, engineering, or cultural significance, in accordance with the provisions herein.
 - (2) Create and maintain a list of potential properties, including sites, buildings, and structures, for local heritage designation.
 - (3) Enact rules governing the construction, alteration, demolition, and use of Local Heritage Designated buildings and the Downtown Commercial Heritage District, including criteria for the review of building permits and the prescription of measures for the preservation, protection, and perpetuation of designated properties and areas.
 - (4) Approve, deny, or prescribe additional measures for building permits connected to Local Heritage Designated buildings, including granting historical preservation, protection, or perpetuation related use variations to the City of Willmar Zoning Ordinance, in accordance with the rules developed by the Heritage Preservation Commission.
 - (5) Provide historical preservation, protection, or perpetuation recommendations to the Planning Commission on Renaissance Zone projects or on any other property within the City, as requested by the Planning Commission.
 - (6) Submit proposed site designations and design guidelines to the state historic preservation officer, in accordance with Minn. Stat. §471.193, subd. 6.
 - (7) Act as a resource and in an advisory capacity to the owner of designated and potentially designated properties regarding preservation, restoration, and rehabilitation activities.
 - (8) At the discretion of the Heritage Preservation Commission, initiate public hearings to solicit public input regarding proposed activities on a heritage preservation site.

- (d) *Annual Report.* The Heritage Preservation Commission shall make an annual report, containing a statement of its activities and plans, to the state historic preservation office and the city council, in accordance with the requirements of Minn. Stat. § 471.193, subd. 6.

Sec. 14-253. – Criteria for Local Heritage Designation.

(a) The following criteria shall be used by the City of Willmar Heritage Preservation Commission to evaluate whether a parcel, home, building, or portion of a building is eligible for Local Heritage Designation. Properties must meet at least one of the following criterion to be considered for designation:

- (1) The property is associated with significant events or uses that exemplify broad patterns of cultural, political, economic, or social history.
 - (2) The property is associated with the lives of significant persons or groups.
 - (3) The property is within the Downtown Commercial Heritage District.
 - (4) The property embodies the distinctive characteristics of an architectural or engineering type, or style, or method of construction.
 - (5) The property exemplifies great works of builders, engineers, designers, artists, craftsmen, or architects.
- (b) Once a parcel, home, building, or portion of a building is designated as eligible for a Local Heritage Designation by the Heritage Preservation Commission the designation cannot be removed from the property for at least ten (10) years.

Sec. 14-254. – Application.

(a) *Application.* All home or building owners wishing to apply for the Local Heritage Designation must complete an application, on the form provided by the Zoning Administrator, submit a completed application to the Zoning Administrator, and provide all additional information requested by City staff and the Heritage Preservation Commission. When the Zoning Administrator determines the application is complete, the Zoning Administrator shall submit the application to the Heritage Preservation Commission.

(b) *Evaluations and approvals.* The Heritage Preservation Commission shall review the application, and within 60 days of the date the Zoning Administrator determines the application is complete, take one of the following actions: approve the application, deny the application, request more information, or approve the application subject to conditions that must be satisfied before the approval is effective.

Sec. 14-255. – Alteration/Renovation and Demolition Reviews.

(a) *Building Official Review.* All permit applications for alterations, renovation and demolition of any structure shall be reviewed by the Building Official and Zoning Administrator to determine whether the project in whole or part is participating in the Local Heritage Designation program or is on the list of potential heritage properties. If any portion of the project is participating in the Local Heritage Designation program or on the list of potential heritage designation properties, the Building Official shall administratively review the permit to determine whether the proposed alterations or renovation are major or minor.

(1) *Major Alterations.* Major alterations are those changes that moderately or significantly alter the architectural integrity of the building(s) as it existed at the time of the Local Heritage Designation, as defined herein. Such alterations include, but are not limited to, new construction, additions, demolition, relocation, rehabilitation, or changes in material, roof line, basic shape, or placement of windows. Projects containing major alterations must be reviewed and approved by the City of Willmar Heritage Preservation Commission before a building or demolition permit may be issued.

(2) *Minor Alterations.* Minor alterations are those changes that do not alter or only slightly alter the architectural integrity of the building(s) as it existed at the time of the Local Heritage Designation, as defined herein. The Building Official may administratively approve building permits for projects with no or minor alterations.

(b) *Renaissance Zone Open Zoning projects.* Any project plan submitted to the Zoning Administrator under the Renaissance Zone Open Zoning process that affects any property with a Local Heritage Designation, which is on the list of potential heritage properties, or is in the Downtown Commercial Heritage District shall be reviewed by the City of Willmar Heritage Preservation Commission. The commission must submit recommendations to the Planning Commission on how to best preserve, protect, and perpetuate the historical significance represented by the affected properties.

(c) *Temporary Interim Protection.* The Building Official may temporarily delay issuing permits for the destruction or major alteration of any site, building, or structure on the list of potential heritage properties or in the Downtown Commercial Heritage District for up to 90-days to consult with the Zoning Administrator, Planning Commission and Zoning Board prior to issuance of a demolition or building permit.

(d) *Demolition.* Demolition of a Local Heritage Designated property must be approved by the Heritage Preservation Commission, after a public hearing, and based on specific findings that (1) the property no longer fits the designation criteria based on professional historical, engineering, or architectural evaluations and studies; or (2) the property or the designated portion of the property has been destroyed by natural or other causes.

Sec. 14-256. – Appeals.

Appeals from decisions of the Building Official, Zoning Administrator, or the Heritage Preservation Commission regarding decisions made in accordance with this ordinance may be made to the Board of Zoning Appeals, as defined in Willmar Zoning Ordinance Section 9B, by following the process and standards found in Willmar Zoning Ordinance Section 9C.

Section 3. EFFECTIVE DATE. This ordinance shall be effective from and after its adoption and second publication.

Section 4. EXPIRATION DATE. Sections 2 and 3 of this ordinance shall expire on and be of no further force or effect after December 31, 2025, unless these sections, or any provision(s) thereof, are renewed or extended by separate ordinance.

Passed by the City Council of the City of Willmar this ____ day of _____, 2020.

ATTEST:

Judy Thompson, City Clerk

Marvin Calvin, Mayor

VOTE: ____ ALVARADO ____ ASMUS ____ DAVIS ____ FAGERLIE
 ____ MUESKE ____ NELSEN ____ PLOWMAN ____ SCHWANTES

This Ordinance introduced by Council Member: _____

This Ordinance introduced on: _____

This Ordinance published on: _____

This Ordinance given a hearing on: _____

This Ordinance adopted on: _____

This Ordinance published on: _____